



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

ELITE HEALTHCARE FORT WORTH

Respondent Name

ZURICH AMERICAN INSURANCE CO

MFDR Tracking Number

M4-15-3557-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

JUNE 25, 2015

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: Carrier is not paying according to the authorization for physical therapy. Patient is approved for 2 units 97140, 2 units 97112, and 4 units 97110. Patient also won their CCH."

Amount in Dispute: \$491.34

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The provider's request was not datestamped as received by DWC MRD until 6/25/15. **Consequently, it is not timely as to the DOS prior to 6/25/14 at issue per Rule 133.307(c)(1)(A).** The provider has waived its right for MFDR."

Response Submitted by: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
June 18, 2014 June 19, 2014 June 24, 2014 June 25, 2014	CPT Code 97110-GP (X4) Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility	\$99.60/ea	\$150.76
June 24, 2014	CPT Code 97140-GP (X2) Manual therapy techniques (eg, mobilization/manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each 15 minutes	\$92.94	\$0.00
TOTAL		\$491.34	\$150.76

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §133.305 sets out the general Medical Dispute Resolution guidelines.

3. 28 Texas Administrative Code §141.1 sets out the procedure for resolving extent of injury disputes.
4. 28 Texas Administrative Code §134.204, titled *Medical Fee Guideline for Workers' Compensation Specific Services*, effective March 1, 2008, sets the reimbursement guidelines for the disputed services.
5. The services in dispute were reduced/denied by the respondent with the following reason codes:
 - 6485-At the adjuster's request, no allowance was made.
 - 6491-Extent of injury.
 - B12-Services not documented inpatients' medical records.
 - 119-Benefit maximum for this time period or occurrence has been reached.
 - 119-Internal neurolysis not identified in the operative report.
 - 168-Billed charge is greater than maximum unit value or daily maximum allowance for physical therapy/physical medicine services.
 - P12-Workers' compensation jurisdictional fee schedule adjustment.
 - W3-Additional payment made on appeal/reconsideration.
 - 1001-Based on the corrected billing and/or additional information/documentation now submitted by the provider, we are recommending further payment to be made for the above noted procedure code.
 - 193-Original payment decision is being maintained. This claim was processed properly the first time.
 - 1014-The attached billing has been re-evaluated at the request of the provider. Based on this re-evaluation, we find our original review to be correct. Therefore, no additional allowance appears to be warranted..

Issue

1. Did the medical fee dispute referenced above contain information/documentation that indicates that there are **unresolved** issues of Extent of Injury?
2. Does a timely filing issue exist in this dispute?
3. Is the requestor entitled to reimbursement for CPT code 97110(X4) rendered on June 25, 2014?

Findings

1. According to the explanation of benefits, the respondent denied reimbursement for CPT code 97110(X4) rendered on June 19, 2014 based upon reason code "6491-Extent of injury."

Unresolved extent-of-injury dispute: The medical fee dispute referenced above contains unresolved issues of extent-of-injury for the same service(s) for which there is a medical fee dispute. The insurance carrier notified the requestor of such issues in its explanation of benefits (EOB) response(s) during the medical billing process.

Dispute resolution sequence: 28 Texas Administrative Code §133.305(b) requires that extent-of-injury disputes be resolved prior to the submission of a medical fee dispute for the same services. 28 Texas Administrative Code §133.307(f) (3) (C) provides for dismissal of a medical fee dispute if the request for the medical fee dispute contains an unresolved extent of injury dispute for the claim. 28 Texas Administrative Code § 133.307(c) (2) (K) provides that a request for a medical fee dispute must contain a copy of each EOB related to the dispute.

Extent-of-injury dispute process: The Division hereby notifies the requestor that the appropriate process to resolve the issue(s) of CEL, including disputes or disagreements among the parties over whether the medical services in dispute were related to the compensable injury, may be found in Chapter 410 of the Texas Labor Code, and 28 Texas Administrative Code §141.1. As a courtesy to the requestor, instructions on how to file for resolution of the extent of injury issue are attached.

The division finds that due to the unresolved extent of injury issues, the medical fee dispute request for date of service June 19, 2014 is not eligible for review until a final decision has been issued in accordance with 28 Texas Administrative Code §141.1.

Dismissal provisions: 28 Texas Administrative Code § 133.307(f) (3) provides that a dismissal is not a final decision by the Texas Department of Insurance, Division of Workers' Compensation ("Division"). The medical fee dispute may be submitted for review as a new dispute that is subject to the requirements of 28 Texas Administrative Code § 133.307. 28 Texas Administrative Code § 133.307 (c)(1)(B) provides that a request for medical fee dispute resolution may be filed not later than 60 days after a requestor has received the final decision, inclusive of all appeals, on the extent-of-injury dispute.

2. 28 Texas Administrative Code §133.307(c)(1) states: "Timeliness. A requestor shall timely file the request with the division's MFDR Section or waive the right to MFDR. The division shall deem a request to be filed on the date the MFDR Section receives the request. A decision by the MFDR Section that a request was not timely

filed is not a dismissal and may be appealed pursuant to subsection (g) of this section. (A) A request for MFDR that does not involve issues identified in subparagraph (B) of this paragraph shall be filed no later than one year after the date(s) of service in dispute." The dates of service in dispute are June 18, 2014 through June 25, 2014. The request for medical dispute resolution was received in the Medical Fee Dispute Resolution (MFDR) section on June 25, 2015. Review of the submitted documentation finds that the disputed services rendered on June 18, and June 24, 2014 do not involve issues identified in §133.307(c)(1)(B). The Division concludes that the requestor has failed to timely file this dispute with the Division's MFDR Section for these dates; consequently, the requestor has waived the right to medical fee dispute resolution for services rendered on June 18, and June 24, 2014.

3. Based upon the submitted explanation of benefits, the respondent denied reimbursement for CPT code 97110 rendered on June 25, 2014 based upon reason codes "168" and "119."

The requestor states payment is due because "Patient is approved for 2 units 97140, 2 units 97112, and 4 units 97110. Patient also won their CCH."

Per 28 Texas Administrative Code §134.600(p)(5)(A) the non-emergency healthcare that requires preauthorization includes: "(5) physical and occupational therapy services, which includes those services listed in the Healthcare Common Procedure Coding System (HCPCS) at the following levels: (A) Level I code range for Physical Medicine and Rehabilitation, but limited to: (i) Modalities, both supervised and constant attendance; (ii) Therapeutic procedures, excluding work hardening and work conditioning."

On June 11, 2014, the requestor obtained preauthorization approval for "four (4) sessions of supervised rehabilitation services"

Review of the submitted documentation finds that the requestor provided four physical therapy sessions from June 18, 2014 through June 25, 2014.

The Division finds that based upon the submitted documentation, the disputed service rendered on June 25, 2014 was preauthorized per 28 Texas Administrative Code §134.600(p). Therefore, the respondent's denial based upon reason codes "168" and "119" were not supported, reimbursement is recommended per 28 Texas Administrative Code §134.203(c)(1)(2).

Per 28 Texas Administrative Code §134.203(c)(1)(2), "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.

(1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32.

(2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) Division conversion factor in 2007."

On the disputed date of service, the requestor billed physical therapy CPT codes 97110-GP, 97140-GP, and 97112-GP. CMS published Medical Learning Network (MLN) Matters, effective January 1, 2011, which states in part, "Many therapy services are time-based codes, i.e., multiple units may be billed for a single procedure. The Centers for Medicare & Medicaid Services (CMS) is applying a MPPR to the practice expense payment when more than one unit or procedure is provided to the same patient on the same day, i.e., the MPPR applies to multiple units as well as multiple procedures. Full payment is made for the unit or procedure with the highest PE payment. For subsequent units and procedures, furnished to the same patient on the same day, full payment is made for work and malpractice and 80 percent payment for the PE for services furnished in office settings and other non-institutional settings and at 75 percent payment for the PE services furnished in institutional settings." The multiple procedure rule discounting applies to the disputed services.

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Participating Amount = Maximum Allowable Reimbursement (MAR).

The 2014 DWC conversion factor for this service is 55.75.

The Medicare Conversion Factor is 35.8228

Review of Box 32 on the CMS-1500 the services were rendered in Fort Worth, Texas; therefore, the Medicare participating amount is based upon the locality of "Fort Worth, Texas".

Using the above formula and multiple procedure rule discounting policy, the Division finds the MAR for code 97110(X4) is \$150.76. The respondent paid \$0.00. As a result, reimbursement of \$150.76 is recommended.

Conclusion

The Division would like to emphasize that individual medical fee dispute outcomes rely upon the evidence presented by the requestor and respondent during dispute resolution, and the thorough review and consideration of that evidence. After thorough review and consideration of all the evidence presented by the parties to this dispute, it is determined that the submitted documentation supports additional reimbursement sought by the requestor. The Division concludes that the requestor supported its position that additional reimbursement is due. As a result, the amount ordered is \$150.76.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$150.76 plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

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Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.